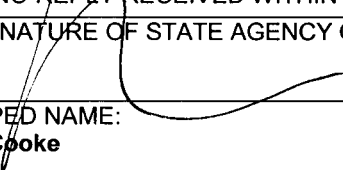
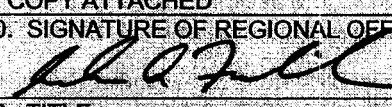


TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 04 - 12	2. STATE: TEXAS
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: April 1, 2004	
5. TYPE OF PLAN MATERIAL (Circle One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: Title XIX, Social Security Act, as amended		7. FEDERAL BUDGET IMPACT: SEE ATTACHMENT a. FFY 2004 \$ 0 b. FFY 2005 \$ 0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: SEE ATTACHMENT		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): SEE ATTACHMENT	
10. SUBJECT OF AMENDMENT: This amendment is a technical amendment that deletes language referencing National Heritage Insurance Company, the former Medicaid contractor, and the term insuring arrangement. Texas Health and Human Services Commission performs the functions of fiscal agent for Medicaid reimbursement.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Sent to Governor's Office this date. Comments, if any, will be forwarded upon receipt. <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Jason Cooke State Medicaid/CHIP Director Post Office Box 13247 Austin, Texas 78711	
13. TYPED NAME: Jason Cooke			
14. TITLE: State Medicaid/CHIP Director			
15. DATE SUBMITTED: May 17, 2004			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 19 MAY 2004		18. DATE APPROVED: 10 June, 2004	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1 April 2004		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: ANDREW A. FREDRICKSON		22. TITLE: ASSOCIATE REGIONAL ADMINISTRATOR DIV OF MEDICAID & CHILDREN'S HEALTH	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE/TERRITORY: Texas

Requirements of Third Party Liability
Payment of Claims

- (d) (1) Section 4.33.139(b)(3)(ii)(C) – Claims related to individuals on whose behalf medical child support enforcement is known to be carried out by the State Title IV-D agency will be paid and not denied due to the existence of a third party. When the third party has not been billed or when the provider has billed a third party and certifies that he has not received payment within 30 days after the date of service, reimbursement for these paid claims will be pursued on a routine basis through the Texas Automated Recovery System (TARS) through guidelines documented below. In order to determine the provider's compliance with the billing requirements, TARS solicits information from insurers concerning possible inappropriate duplicate payments. Most insurers cooperate with the Medicaid program and verify whether or not they previously paid the charges being billed by Medicaid.

- (2,3) Section 433.139(f)(2) and (3)

Procedures for seeking reimbursement will be initiated within sixty (60) days after the end of the month in which the health insurance carrier is identified, or within sixty (60) days after the end of the month in which payment was made.

Requests for reimbursement will be initiated on all claims meeting cost effectiveness criteria. Claims for \$100.00 or more will be pursued within sixty (60) days following the month of Medicaid payment. Claims for less than \$100.00 will be accumulated until the amount reaches \$100.00 or until six (6) months have elapsed (whichever comes first). If after six (6) months the accumulation has not reached \$100.00, all accumulated claims will be billed. Initiation of post payment recovery activity of all claims will, however, begin during the month cycle when the \$100.00 accumulation is reached.

A minimum dollar amount to be accumulated and minimum dollar amounts for follow-up on unresolved recovery attempts will be applied to ensure reasonable cost effectiveness of the third party reimbursement effort.

STATE <u>Texas</u>	A
DATE REC'D <u>19 May 2004</u>	
DATE APP'D <u>10 June 2004</u>	
DATE EFF <u>1 Apr 2004</u>	
HCFA 179 <u>04-12</u>	

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